
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: County and Township Assessors, County Councils, and Township Boards

FROM: Courtney L. Schaafsma, Commissioner

RE: Legislative Changes Affecting Qualifications for Local Assessors

DATE: July 1, 2015

On May 5, 2015, Governor Pence signed into law Senate Enrolled Act 426-2015 ("SEA 426"), which introduces legislative changes concerning the attainment of the Level III assessor-appraiser certification as a qualification of county assessors and township assessors. This memorandum addresses these changes. Please note that this memorandum is intended to be an informative bulletin; it is not a substitute for reading the law.

I. Conditions for Candidates

Section 1 of SEA 426 amends IC 3-8-1-23 so that a candidate for county assessor is not required to possess an assessor-appraiser certification of any level *while running* for that office. A candidate need only reside in the county for at least one year before the election and own real property located in the county upon taking office. However, and as discussed below, the individual must attain the applicable assessor-appraiser certification before taking office.

Section 2 of SEA 426 repeals IC 3-8-1-23.6, which prescribed the qualifications for running as a candidate for township assessor. As a result, a candidate for township assessor is not required to possess an assessor-appraiser certification of any level while running for that office. However, and as discussed below, the individual must attain the applicable assessor-appraiser certification before taking office.

Both amendments are effective July 1, 2015.

II. County and Township Assessor Qualifications

Sections 6, 7, and 14 of SEA 426 amend IC 36-2-15-2, IC 36-2-15-5, and IC 36-6-5-1, respectively, to promulgate the following qualification requirements for assessors:

- (1) If an individual has never held the office of county assessor, then he or she must have attained a Level II certification prior to taking office. If an individual has held the office of county assessor, then he or she must have attained a Level III certification prior to taking office. (See Section 6, amending IC 36-2-15-2.)
- (2) If an individual has never held the office of township assessor, then he or she must have attained a Level II certification prior to taking office. If an individual has held the office

of township assessor, then he or she must have attained a Level III certification prior to taking office. (See Section 14, amending IC 36-6-5-1.)

- (3) If an individual elected to serve as township assessor has not met the requirements listed in (2) above prior to taking office, the assessment duties of the township assessor are then assigned to the county assessor on the date the township assessor's term of office begins. If, at a later election, an individual is elected as township assessor and meets the requirements above, then the duties assumed by the county assessor return to the township assessor. (See Section 7, amending IC 36-2-15-5. Section 7 also deletes a provision treating the township assessor's office as vacant during the period the county assessor assumes the township assessor's duties and a provision concerning the retention of township assessors by referendum.) **The Department of Local Government Finance ("Department") believes that a township assessor whose duties are transferred to the county assessor does retain the office of township assessor during this interim period.**

These amendments are effective July 1, 2015.

III. Salary Increase for Attaining Level II or Level III Certification

Sections 4 and 5 of SEA 426 make amendments concerning the increase in salary of a county or township assessor who attains a Level II or Level III assessor-appraiser certification. These changes are effective January 1, 2016.

Section 5 of SEA 426 adds IC 36-2-5-3.5, which requires the county fiscal body to establish a salary schedule (**the salary ordinance**) in which the salary of a county or township assessor with a Level III certification is at least \$1,500 more than the salary of a county or township assessor with a Level II certification. If a county or township assessor with a Level II certification attains a Level III certification by January 1 of the third year of his or her term of office, the assessor is entitled to receive the salary increase as of the date he or she attains the Level III certification. Likewise, the county fiscal body must establish a salary schedule (**the salary ordinance**) in which the salary of county or township deputy assessor who has attained a Level II or Level III certification is at least \$500 more than the salary of a deputy assessor who has not attained a Level II or a Level III certification, beginning on the date the deputy assessor attains the certification.

Section 5 also incorporates provisions that Section 4 deletes from IC 36-2-5-3(b), which currently governs the law concerning assessor salary increases. In other words, under IC 36-2-5-3(b) (before its amendment by SEA 426), the county fiscal body must provide for a county assessor or elected township assessor who has attained a Level II or Level III certification to receive annually an additional \$1,000 in salary (or \$500 in the case of a county or township deputy assessor). This requirement has been taken out of IC 36-2-5-3(b) and incorporated into IC 36-2-5-3.5, as introduced by SEA 426. In sum, it is theoretically possible for a county or township assessor to experience a total salary increase due to receipt of certifications of at least \$2,500 after taking office or for a deputy assessor to experience a total salary increase due to receipt of certifications of at least \$1,000 after being hired.

By way of an example, if Mrs. Doe never held the office of county assessor and obtains her Level II certification before taking office, her salary would provide for an extra \$1,000. If she attains a Level III certification by January 1 of the third year of her term of office, then she would be entitled to a salary increase of at least \$1,500. Thus, Mrs. Doe will have experienced a total salary increase of at least \$2,500 over a county assessor who did not have these certifications. If Mr. Jones is employed as an assessor's deputy and subsequently obtains a Level II certification, he is entitled to a \$500 increase in salary. If Mr. Jones then attains a Level III certification, he is entitled to an increase in salary of at least \$500. Thus, Mr. Jones will have experienced a total salary increase of at least \$1,000.

For purposes of ensuring that the assessing official receives the appropriate amount of compensation, the county council will have to identify the "base" salary for that official and make the necessary adjustments. For instance, if Mr. Smith is currently serving as county assessor and has a Level II certification, his salary should already provide for the \$1,000 adjustment. Thus, if his salary is \$30,000, including the \$1,000 adjustment, then once Mr. Smith attains his Level III certification, the \$1,500 adjustment would be made to the \$30,000 base salary, giving Mr. Smith a total salary of \$31,500.

Please note: The amendments documented above do not have any retroactive effect to 2015. These changes take effect January 1, 2016. Also, state law refers to these pay adjustments as salary, not bonuses or stipends.

IV. Qualifications for Employees of Assessors

Regarding the qualifications for employees of county and township assessors, Sections 13 and 15 of SEA 426 amend IC 36-2-16-8 and IC 36-6-5-4, respectively (effective July 1, 2015), to provide the following:

1. Before July 1, 2017, an employee of the assessor who performs real property assessing duties must have attained the level of certification that the assessor is required to attain under IC 36-2-15-2(b) or IC 36-6-5-1(g), as applicable (as amended by Sections 6 and 14 of SEA 423, as discussed above).
2. After June 30, 2017, an employee of the assessor who is responsible for placing an assessed value on real property must have attained a Level III certification. **The Department notes that state law is silent as to what happens if the employee fails to attain the Level III certification by this point in time. It could be argued that the employee must refrain from placing assessed values on property until he or she obtains the certification.**
3. If the assessor has not attained a Level III certification as of July 1, 2017, the county or township fiscal body, as applicable, must authorize either of the following:
 1. Appointment of at least one deputy or employee who has a Level III certification.
 2. Contracting with a person who has attained, or who employs for purposes of the contract an individual who has attained a Level III certification. The contractor must assist the assessor with assessment duties as determined by the assessor.Payment for the employee, deputy, or contractor must come from the assessor's budget.

V. Vacancy of Township Assessor Office

Section 3 of SEA 423 amends IC 6-1.1-1-24 (effective July 1, 2015) so that if a township assessor's duties are transferred to the county assessor pursuant to IC 36-2-15-5(c), as amended by Section 7 of SEA 423 (as discussed above), a reference to the township assessor in IC 6-1.1 is considered to be a reference to the county assessor.

By way of an example, Mr. Jones is elected township assessor and expects to assume the office on January 1 following the election. He has never previously held the office of township assessor and at the time he took office, he had a Level II certification. Because IC 36-6-5-1 requires a person who has never previously held the office of township assessor to have a Level II certification prior to taking office, Mr. Jones meets the qualifications under the statute.

*By contrast, Mrs. Doe is elected township assessor and also expects to assume the office on January 1 following the election. She served as township assessor in a previous term and currently has only a Level II certification. Because IC 36-6-5-1 requires a person who previously served as township assessor to have a Level III certification prior to taking office, Mrs. Doe must obtain a Level III certification before taking office. If she fails to do so, her duties will be transferred to the county assessor. **Again, the Department believes that Mrs. Doe would retain her office as township assessor even though her duties have been transferred to the county assessor.***

SEA 426 also repeals IC 36-2-15-7.4, IC 36-2-15-8, IC 36-2-15-9, IC 36-2-15-10, and IC 36-2-15-11, which governed the 2008 referendum process whereby voters decided whether to retain their township assessors. The provisions are now obsolete.

Contact Information

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